

Message Text

UNCLASSIFIED

PAGE 01 STATE 014772
ORIGIN EB-08

INFO OCT-01 ISO-00 AF-10 ARA-14 EA-12 EUR-12 NEA-10
SIG-02 MMO-04 IO-14 PCH-02 AID-05 CIAE-00 COME-00
FRB-01 INR-07 NSAE-00 USIA-15 TRSE-00 XMB-04
OPIC-06 SP-02 LAB-04 SIL-01 OMB-01 NSC-05 SS-15
STR-06 CEA-01 L-03 H-02 AGRE-00 INT-05 DODE-00
PA-02 PRS-01 /175 R

DRAFTED BY EB/IFD/OIA:D V GRANT

APPROVED BY EB/IFD/OIA:R D KAUZLARICH

NEA/ARN:C MONROE

OPIC/D:J DILL

EA/EP:A GEBER (INFO)

NEA/RA:R O PRICKETT (INFO)

EUR/RPE:J P MCLEAN (INFO)

ARA/ECP:D TAHER (INFO)

AF/EPS:C CUNDIFF (INFO)

-----059978 191650Z /46

R 191520Z JAN 78

FM SECSTATE WASHDC

TO ALL AFRICAN DIPLOMATIC POSTS

ALL AMERICAN REPUBLIC DIPLOMATIC POSTS

ALL NEAR EASTERN AND SOUTH ASIAN DIPLOMATIC POSTS

AMEMBASSY SEOUL

AMEMBASSY SUVA

AMEMBASSY TAIPEI

AMEMBASSY ANKARA

AMEMBASSY BANGKOK

AMEMBASSY MANILA

AMEMBASSY KUALA LUMPUR

AMCONSUL BELIZE

AMEMBASSY JAKARTA

AMEMBASSY PORT MORESBY

INFO AMEMBASSY ABU DHABI

AMEMBASSY ATHENS

AMEMBASSY BELGRADE

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 STATE 014772

AMEMBASSY BRASILIA

AMEMBASSY BRIDGETOWN

AMEMBASSY BUCHAREST

AMEMBASSY BUENOS AIRES

AMEMBASSY CARACAS

AMCONSUL CURACAO

AMEMBASSY DOHA

AMEMBASSY JIDDA
AMEMBASSY LIBREVILLE
AMEMBASSY LISBON
AMCONSUL MARTINIQUE
AMEMBASSY MONTEVIDEO
AMEMBASSY MUSCAT
AMEMBASSY NICOSIA
AMEMBASSY PARAMARIBO
AMEMBASSY PORT OF SPAIN
AMEMBASSY SINGAPORE
AMEMBASSY TEHRAN
AMEMBASSY TEL AVIV
AMEMBASSY VALLETTA
AMEMBASSY BEIRUT POUCH
XMT AMEMBASSY ACCRA
AMEMBASSY BRAZZAVILLE
AMEMBASSY CONAKRY
AMEMBASSY DJIBOUTI
AMEMBASSY MAPUTO
AMEMBASSY PRETORIA
AMEMBASSY VICTORIA
AMEMBASSY ASUNCION
USINT HAVANA
AMEMBASSY MEXICO
AMEMBASSY NASSAU
AMEMBASSY ALGIERS
UNCLASSIFIED

UNCLASSIFIED

PAGE 03 STATE 014772

AMEMBASSY DAMASCUS
AMEMBASSY KUWAIT
USMISSION SINAI
AMEMBASSY TRIPOLI

UNCLAS STATE 014772

E.O. 11652: N/A

TAGS: EINV

SUBJECT: STATUS OF OPIC LEGISLATION

1. OPIC'S CURRENT LEGISLATION (TITLE IV OF THE FOREIGN ASSISTANCE ACT OF 1961, AS AMENDED) PROVIDES THAT UNLESS EXTENDED, OPIC'S AUTHORITIES TO ISSUE POLITICAL RISK INSURANCE AND LOAN GUARANTIES WOULD EXPIRE ON DECEMBER 31, 1977. THE ADMINISTRATION PROPOSED THAT CONGRESS RENEW THIS LEGISLATION TO PERMIT CONTINUATION OF THESE KEY OPIC PROGRAMS, WHICH THE ADMINISTRATION BELIEVES PROVIDE A VALUABLE COMPLEMENT TO U.S. DEVELOPMENT ASSISTANCE.

2. AFTER RELATIVELY EASY PASSAGE BY THE SENATE (69-12),
THE PENDING OPIC LEGISLATION ENCOUNTERED OPPOSITION DURING
THE HOUSE FLOOR DEBATE NOVEMBER 3. SPARKED BY INTENSE
LOBBYING BY THE AFL-CIO, CRITICS OF OPIC FOCUSED ON THREE
CHARGES: (A) THAT ITS PROGRAMS RESULT IN THE EXPORT OF
AMERICAN JOBS, PARTICULARLY IN THE SENSITIVE TEXTILES,
ELECTRONICS AND STEEL SECTORS; (B) THAT MANY OF THE
COUNTRIES WHERE ITS PROGRAMS ARE MOST SUCCESSFUL ARE
CHARACTERIZED BY AUTHORITARIAN GOVERNMENTS WITH POOR
HUMAN RIGHTS RECORDS; AND (C) THAT ITS ASSISTANCE GOES
DISPROPORTIONATELY TO LARGE CORPORATIONS.

3. WHILE OPIC SUPPORTERS ATTEMPTED TO COUNTER THESE
INACCURATE CHARGES DURING THE DEBATE, THE BILL'S MANAGERS
UNCLASSIFIED

UNCLASSIFIED

PAGE 04 STATE 014772

JUDGED THAT ITS CHANCES FOR PASSAGE WOULD BE BETTER
AFTER THE HOUSE RECONVENES JANUARY 19. ACCORDINGLY, THE
BILL WAS WITHDRAWN FROM CONSIDERATION TO PERMIT INFORMAL
REVIEW BY THE HOUSE INTERNATIONAL RELATIONS COMMITTEE
AND RE-SUBMISSION FOR VOTE SHORTLY AFTER JANUARY 23.

4. WITH THE FAILURE TO RENEW OPIC'S LEGISLATION BY
DECEMBER 31, OPIC'S AUTHORITIES TO ISSUE INSURANCE AND
LOAN GUARANTIES LAPSED TEMPORARILY. HOWEVER, IT IS
CONTINUING TO REGISTER APPLICATIONS FOR THESE PROGRAMS
AND IS ADVISING INVESTORS THAT CONTRACTS WILL BE ISSUED
AS SOON AS POSSIBLE AFTER CONGRESS EXTENDS THESE TWO
AUTHORITIES. IN ADDITION, OPIC CONTINUES TO HAVE
AUTHORITY TO CONDUCT ITS RELATIVELY SMALL DIRECT LOAN
PROGRAM. IT ALSO CONTINUES TO OFFER ADVICE TO LDC
GOVERNMENTS AND U.S. INVESTORS ABOUT POTENTIALLY
ATTRACTIVE INVESTMENT PROJECTS IN COUNTRIES ELIGIBLE
FOR OPIC PROGRAMS. CHRISTOPHER

NOTE BY OC/T: POUCHED BEIRUT

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptoning: X

Capture Date: 01 jan 1994

Channel Indicators: n/a

Current Classification: UNCLASSIFIED

Concepts: LAW, INVESTMENT GUARANTEES

Control Number: n/a

Copy: SINGLE

Draft Date: 19 jan 1978

Decaption Date: 01 jan 1960

Decaption Note:

Disposition Action: n/a

Disposition Approved on Date:

Disposition Case Number: n/a

Disposition Comment:

Disposition Date: 01 jan 1960

Disposition Event:

Disposition History: n/a

Disposition Reason:

Disposition Remarks:

Document Number: 1978STATE014772

Document Source: CORE

Document Unique ID: 00

Drafter: D V GRANT

Enclosure: n/a

Executive Order: N/A

Errors: N/A

Expiration:

Film Number: D780029-0054

Format: TEL

From: STATE

Handling Restrictions: n/a

Image Path:

ISecure: 1

Legacy Key: link1978/newtext/t19780144/aaaablci.tel

Line Count: 156

Litigation Code IDs:

Litigation Codes:

Litigation History:

Locator: TEXT ON-LINE, ON MICROFILM

Message ID: 15e23be2-c288-dd11-92da-001cc4696bcc

Office: ORIGIN EB

Original Classification: UNCLASSIFIED

Original Handling Restrictions: n/a

Original Previous Classification: n/a

Original Previous Handling Restrictions: n/a

Page Count: 3

Previous Channel Indicators: n/a

Previous Classification: n/a

Previous Handling Restrictions: n/a

Reference: n/a

Retention: 0

Review Action: RELEASED, APPROVED

Review Content Flags:

Review Date: 07 feb 2005

Review Event:

Review Exemptions: n/a

Review Media Identifier:

Review Release Date: n/a

Review Release Event: n/a

Review Transfer Date:

Review Withdrawn Fields: n/a

SAS ID: 3746703

Secure: OPEN

Status: NATIVE

Subject: STATUS OF OPIC LEGISLATION

TAGS: EINV, US, XX, OPIC

To: AF POSTS ALL POSTS MULTIPLE

Type: TE

vdkgvgwkey: odbc://SAS/SAS.dbo.SAS_Docs/15e23be2-c288-dd11-92da-001cc4696bcc

Review Markings:

Sheryl P. Walter

Declassified/Released

US Department of State

EO Systematic Review

20 Mar 2014

Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014